



ACORN VILLAGES LIMITED

(A COMPANY LIMITED BY GUARANTEE)

COMPANY NUMBER: 1048360

CHARITY NUMBER: 263954

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

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ACORN VILLAGES LIMITED

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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COMPANY NUMBER 1048360

CHARITY NUMBER 263954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees are pleased to present their annual report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and the Charities Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland; FRS 102) issued in October 2019.

Chair's report

I am very aware that the rate of progress in the last year has been much diminished due to the corona virus pandemic. Much of what was planned had to be put on hold with the safety of residents, tenants and staff being our paramount concern. The site was closed to the general public a week before the official government lockdown.

I am very pleased to report that 2021-22, whilst still heavily impacted by the restrictions imposed due to the corona virus pandemic, there has been some movement towards normality. The safety of residents, tenants and staff is still our paramount concern, but we have been able to complete many of the pre-Covid planned projects. We have also been able to take advantage of grants available to improve the health, wellbeing and quality of life for residents and staff. For example, we have been able to build patios for safe outside recreation for houses where they did not previously exist.

Fund raising events were generally not feasible although the "Witchfinder Run" did take place successfully and welcomed by those taking part. Whilst the off-site charity shop was able to open for part of the year, the onsite shop remained closed. My thanks go to our volunteers working in masks all day to facilitate this and those working at home.

The continued additional safety precautions which continue to be particularly tough for care staff and the requirement to wear PPE all the time get more physically and mentally draining as the pandemic continues. My admiration and thanks go to all our staff who all did their utmost to keep the village running as smoothly as possible during the year.

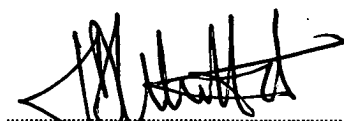
The welfare of staff has been highlighted during the pandemic and I am pleased to report that the wellbeing project is well advanced and at the time of writing we are awaiting final planning permission so we can erect a "Wellness Pod" specifically for the promotion and help in dealing with staff welfare.

As the Village slowly returns to normal, activities are also increasing particularly outside activities.

The "Staff only" Acorn Village Facebook page as well as a quick way of disseminating information is also a source of inspiration allowing the sharing of pictures of resident activities and trips out.

A big thankyou goes to Families and Friends of residents and tenants for their continued help and support during another tough year.

Going forward we look forward to the increased use of the Creative Craft Centre and the opening of The Strover Centre which will allow us to increase our life skills development activities for our own residents and tenants and to the wider community.



John Whittaker
Chair

COMPANY NUMBER 1048360

CHARITY NUMBER 263954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

Our purposes and activities

Our charity's purpose as set out in the objects contained in the company's memorandum of association is to provide for:

The relief of those in need by reason of learning disability by all or any of the following:-

- Promoting beneficiaries physical or mental health;
- Meeting beneficiaries religious or spiritual needs;
- Advancing the education of beneficiaries.

To accomplish these aims we:-

- Provide care in permanent homes within a village community for adults with learning disabilities and associated problems where they can be supported;
- Allow beneficiaries to enjoy the benefits of a family life;
- Allow beneficiaries to develop and achieve their full potential;
- Provide these benefits to adults with learning disabilities and associated problems living in the wider community.

The vision that shapes our activities remains the promotion of good care and the maximisation of the potential of all our residents and tenants.

The charity also has the general aim of contributing to the quality of life of the people in the local area by opening the day care opportunities to those in need of them in the area.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'. The Village relies on donations both cash and saleable items to help cover any deficit in operating costs and to fund villager activities.

In normal circumstances we endeavour to encourage everyone in the local community to take part in our activities, attend our events and support our charity and coffee shops.

The strategies employed to achieve the charity's aims and objectives are to facilitate the following activities:

- **Social interaction;**
Social interaction is encouraged not only within the Village community but by interaction with other societies such as "Harwich Sing" Red Rose Theatre Group, Sport for Confidence, Wheels for All and Essex and Suffolk Community Rail project.
- **Learning new Life skills;**
Baking is popular throughout the country and it is no different at Acorn Village. Cookery lessons are always popular with the residents and tenants.
- **Crafting in numerous forms;**
These include painting, weaving, model making, furniture upscaling. Our facilities will be available to outside groups and individuals once the Covid risks are no longer a threat thus increasing social interaction and involvement with the local community.
- **Gardening and Horticulture;**
With our own polytunnels and allotments this is a popular activity with residents as is the maintenance of the garden area outside the houses. Produce is used within the houses and the coffee shop with any spare being sold to the general public either in the shop in Manningtree or onsite.
- **Education;**
Supported attendance at college.
- **Active Leisure;**
As well as a visiting fitness instructor sailing classes facilitated by volunteers of the Wolverstone Trust are popular.
- **Entertainment;**
Music in all forms is popular and playing instruments and performing is encouraged drama workshops are always well attended as are discos.
- **Use of facilities within by the local community;**
Popularity of the onsite coffee shop is slowly returning and will no doubt increase as activity in onsite day opportunities is expanded to non-residents and tenants. It has also provided employment opportunity for tenants. Together with the onsite charity shop, it also attracted people from the local community to visit the site and encouraged social interaction.

COMPANY NUMBER 1048360

CHARITY NUMBER 263954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

Our volunteers

The Trust is part of the local community, with some residents and tenants living in Manningtree itself. The Trust relies on voluntary help and besides those regularly helping in the charity shops as well as sorting and selling donated goods, we also have volunteers regularly helping in the craft centre with its numerous activities. We also have numerous volunteers who assist at fund raising events in many capacities and we wish to thank them all for their loyal support and service. Fund raising in its many forms is an important part of our income. The selling of donated goods alone raised approximately £65,000 in year ending March 2021 and this would not be possible without the assistance of our volunteers and our profound thanks go to all of them.

The Trustees/Directors are also volunteers and do not receive a salary, all volunteering their time, and although expenses would be available if needed, no expenses have been claimed.

Achievements and performance

Although the impact of Covid reduced during 2021 – 2022, it still had a marked effect on the running of the village and its staff. The main site remained closed to the public for most of the year it is now open, and life is slowly returning to normal. Whilst we have had cases of Covid on site and up till now we have not lost anyone to it, it is still an issue. Because of vaccine requirements legislation we were forced to dismiss three members of staff which caused much distress on all sides and did not help morale. At the time of this report being published, this legislation has been since rescinded.

In last year's report we stated that there was some catching up to do on maintenance work needed on site. Much of this work has now been completed:

- Water pressure increased for mains water to Oak, Jubilee and Spring;
- Catkins and Phyllis Mary Lodge outdoor patios completed;
- New 3 phase power supply – 1 phase for the new Strover Centre;
- 4 new wet rooms;
- Renovation of a bathroom;
- The new Strover Centre practically completed;
- All radiators replaced in Phyllis Mary Lodge and the attached flats;
- The workshop, sheds and restroom changed to zonal heating for efficiency;
- Trinity house water system changed from gravity fed to unvented cylinder to improve water pressure.

As part of a health and safety review a survey of our water systems was conducted to identify potential risk areas for Legionella. Work to implement the recommendations made to eliminate potential risk areas identified has started. This involves multiple water cylinders, tanks and TMV's being replaced or cleaned, and "dead legs" removed. A new programme for ongoing testing has also been created.

Attendance and utilisation of the Creative Craft Centre has returned to and improved upon pre Covid levels as originally envisaged with further expansion expected following the opening of the "Strover Centre".

Financial review

The deterioration in health of some of the tenants during Covid has meant them moving across to our residential service and long-term vacancies have been filled but constant attention to this issue is constantly under review. The backlog of maintenance and the cost thereof following two years of reduced fundraising has resulted in a higher capital spend although much of this has been funded by Covid related grants. The step up from minimum wage to a little above it resulted in a large increase in wages not fully covered by local authority payments and a considerable amount of work has gone into establishing the core costs for the charity and individual resident costs and needs for discussion with commissioners. Early indications suggest that this approach is having a positive outcome. However, it should be noted that the industry of social care is facing considerable challenges not helped by the pressures the NHS are facing. The sector is experiencing staffing shortages on a scale that has not been seen before and the impact of the global pandemic has taken its toll in practice on the responsiveness of the services that would historically support the charity. The wider economic picture will no doubt also put pressure on the service with rising costs and uncertainties around the increasing cost of living.

Investment powers and policy

The continuing financial constraints on local authority funding and the general difficulty in fund raising dictates that there is an increased need to maximise income from all sources including the reserves. The organisation's reserve policy is to ensure there is a minimum of three month's community running costs in a cash reserve. This is in the region of £1m and was historically held in cash.

With interest rates remaining at almost negligible levels since the financial crash in 2007, the board had moved £600,000 of the reserves into an income producing investment portfolio. Whilst interest rates remain at very low levels and no sign of improvement in the local Authority funding situation the board decided to add a further £250,000 to the portfolio which is generating an income far exceeding that which could be obtained from cash alone. This income is used to forward the aims of the charity. The trustees remain cognisant of the risk to capital but are prepared to take a low to medium risk stance to achieve their aims. The portfolio remains in funds specifically set up for charity investments and is diversified over a number of funds, managers and asset classes.

COMPANY NUMBER 1048360

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**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)****Reserves policy and going concern**

The board has examined the charity's requirements for reserves in the light of the main risks to the organisation. It has established a reserve policy to ensure there is a minimum of three month's community running costs in unrestricted funds in a cash reserve. This is to cover the eventuality of short-term funding interruptions to cash flow or long-term funding loss and enable residents to be relocated to different carers without the need for undue haste and the associated trauma that would entail. The average monthly running cost of the Acorn Village Community for the year ended 31 March 2022 was £349,842 indicating that reserves should be in the order of £1,049,525. As of 31 March 2022 liquid reserves stood at £467,794 together with a further £897,620 in readily available investments which are in excess of the minimum level required and currently remain at a similar level.

Whilst the trustees have no immediate concern with regard to solvency, there is a continuing need reduce the reliance on donations and discussions with our commissioners are ongoing. It should be noted that the financial pressures faced by local authorities impacts greatly on the negotiations required.

Plans for future periods

In last year's report we stated that there was some catching up to do on maintenance work needed on site. Most of this has now been successfully completed.

Our plans for this year include:

- Planning new and utilising existing buildings for much needed additional storage;
- Rollout of the wellbeing strategy and the completion of the "Wellbeing Pod" (currently awaiting planning final planning permission);
- Completion of the Legionella work started last year;
- The opening of the Strover Centre for provision of "Life Skills" teaching for both Acorn residents/tenants and others in the wider community in need of such a service. The Centre also has an adult changing facility that can be used in case of need for visiting service users;
- Onsite personal safety review and addressing any concerns raised.

Reference and administrative details

Charity number: 263954

Company number: 1048360

Registered Office: Mistley Hall, Clacton Road, Mistley, Manningtree, Essex, CO11 2NJ

Our advisers

Bankers: Lloyds Bank plc, 27 High Street Colchester Essex CO1 1DU

Solicitors: Ellisons, Headgate Court, Colchester, Essex CO1 1NP and Sparlings, 13 High Street Manningtree, CO11 1AQ

Auditors: Haines Watts, Town Wall House, Balkeine Hill, Colchester, Essex CO3 3AD

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law.

The trustees and officers serving during the year and since the year end were as follows:

Mr J Whittaker – Chairman

Mr K Burrows – resigned 29 July 2022

Mr R Finch – resigned 17 March 2022

Mr J Gray

Mrs B Evers – Vice Chairman

Mr K Jordan

Mrs J Owens

Rev D Lang

Mr C Daines

Mr D Willis

Key management personnel:

M Cook Chief Executive

Mrs C Cridland Company Secretary

G Balls Operations Manager

T Cox Registered Manager with special responsibility for care service

Mrs S Gunn Finance Manager

T Sage Business Services Manager – resigned September 2022

Mrs E Francis Human Resources Manager – resigned March 2022

Structure, Governance and Management

Governing Document

The Charity is a company limited by guarantee, incorporated on 5 April 1972. The Company was established under a Memorandum and Articles of Association which was revised and updated during year ending 31 March 2012 to cater for changes in company law and to simplify the management of the Charity. The objects and ethos of the Charity however were deliberately left unaffected by the updated Memorandum and Articles of Association which remains the governing document. In the event of the Company being wound up the members are liable for an amount not exceeding £10.

Appointment of Trustees

Trustees of the Charity are company directors for the purposes of company law and form the Management Board. One third of the Trustees retire by rotation each year, after which they can be re-elected at the next annual general meeting. The nature of the Charity's work focuses on care of adults with learning disabilities; the Trustees ensure that the needs of this group are appropriately reflected in the diversity of the Management Board composition. To date the Management Board has been successful in recruiting new members through their own networking and local knowledge. The ongoing business operation and specific skills required for working with people with learning disabilities are well represented on the Management Board. To obtain an essential skill mix and to avoid particular skills being lost due to retirement, individuals are approached to offer themselves for election or re-election to the Management Board.

Trustee induction and training

New Trustees are made aware of their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes. They are given a thorough briefing on the work of the Charity, its current business plan and financial position plus a tour of the operational activities. These are jointly led by the Chairman and Chief Executive of the Charity.

Organisation

The Board of Trustees meets at least quarterly and deals with the overall strategic direction and policy of the Charity. The Board has appropriate sub-committees with defined terms of reference and including members of the management teams to further understand and develop our vision and aims for the Charity. The sub-committees are charged with reporting to the main board on their particular areas of responsibility. The committees are:

- Finance, Risk and Salaries
- Health & Safety, Procurement and Premises
- Personnel
- Marketing and Fundraising
- Care, Safeguarding and Care Quality Commission Compliance

The everyday management of the village is delegated to the Chief Executive alongside the managers who supervise the day-to-day running of the Village Community, including the Supported Living Communities. The overall responsibility for operational activities is delegated to the Chief Executive and Senior Management Team including budgeted finance and compliance.

Authorisation for non-budgeted capital spending remains with the Board. The responsibility for ensuring that staff receive appropriate training in line with Care Quality Commission requirements and standards, including Health and Safety at work, lies with the Operations Manager and Senior Registered Manager.

Key Management Personnel

The Charity considers its key management personnel to be the Chief Executive Officer, the Operations Manager, Senior Registered Manager, Finance Manager, Business Services Manager and Human Resources Manager.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Trustees and close contacts are not allowed to be employed directly by the company and any financial interest which may potentially impact any decision must be declared.

Pay policy for senior staff

The remuneration package of the Chief Executive Officer is negotiated with the trustees directly. Remuneration of members of the senior management team, which are considered by the trustees to be the Chief Executive Officer's direct reports, are negotiated with the Chief Executive Officer on an individual basis and agreed with the trustees.

Risk management

The Management Board constantly reviews any major risks to which the Charity may be exposed, taking measures to alleviate such risks where appropriate. A Risk Register has been developed which is reviewed at the quarterly board meetings and updated and amended as deemed necessary.

Policies and controls are updated and amended as regulations require or improvements are deemed beneficial.

A reserves policy is in place to cover any major detrimental financial event. The minimum level of the reserves is set at three times the average monthly running cost of the service.

COMPANY NUMBER 1048360
CHARITY NUMBER 263954

**TRUSTEES' ANNUAL REPORT (INCORPORATING THE DIRECTOR'S REPORT)
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

Risk management (continued)

Wage inflation is the perhaps the least controllable risk. An increase in the minimum wage is no more than the staff affected deserve and whilst such increases are not aimed at staff in higher wage brackets they do have an impact on those staff members wages in order to maintain pay differentials. That means that tight budgetary settlements implemented by local authorities do not cover the increased costs of wage inflation. The seriousness of underfunding and low priority afforded to social care in the political arena represents a major risk not only to Acorn but to the sector in general.

All care facilities are registered with the Care Quality Commission.

Procedures are in place and regularly reviewed to ensure compliance with legislation. The Quality Assurance system is monitored and updated to ensure it meets people's needs. Results of Care Quality Commission inspections indicate that the Quality Assurance system is working but we are mindful of the need to be vigilant to ensure standards are maintained.

Our approach to fundraising activities

As a charity we comply with and support the expectations of the Charity Commission, the regulator of charities in England and Wales, and operate in a way which protects the charity's reputation and encourages public trust and confidence in the charity. This includes following the law and recognised standards, protecting the charity from undue risk, and showing respect for donors, supporters and the public.

We are pleased to receive donations and legacies from supporters and donated goods for sale in our charity shops and on line activities. We also appreciate the support of the public at fund raising events.

All our activities are run in accordance with the guidance for fundraising set out on the Charity Commission websites.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of the Acorn Villages Limited for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing the financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

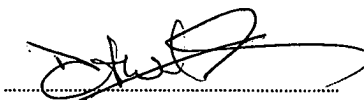
The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

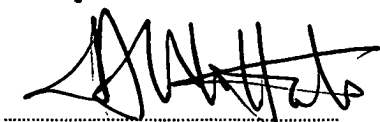
In so far as the trustees are aware at the time of approving our trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Trustees on:

 7/11/22

Signed on behalf of the board of trustees:



Mr J Whittaker - Chairman

OPINION

We have audited the financial statements of Acorn Villages Limited (the 'Parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities (including Income and Expenditure Account), Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 The Financial Reporting Standard applicable in the UK Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the Parent Charity's affairs as at 31 March 2022 and of the groups incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charities activities and wider economy. The 'trustees' view on the impact of COVID-19 is disclosed on page 12 in the accounting policies note.

OTHER INFORMATION

The other information comprises the information included in the Trustees' Annual Report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the Directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the groups's and the parents ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.


Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We considered the risk of fraud through management override and in response, we incorporated testing of manual journal entries into our audit approach throughout the financial year.
- We also considered the risk of fraud through assumptions and judgements used within accounting estimates and in response, reviewed and scrutinised these estimates in order to detect possible management bias.
- We also considered the risk of fraud associated with the preparation of the financial statements and in response, tested the disclosures prepared against relevant supporting documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. The description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Melinda J Simpson (Senior Statutory Auditor)

For and on behalf of Haines Watts
Town Wall House
Balkerne Hill
Colchester
Essex
CO3 3AD

Date:

8.11.2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

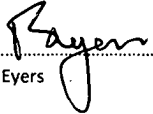
	Notes	Unrestricted Funds		Restricted Funds (see Note 20)		Total Funds	
		2022	2021	2022	2021	2022	2021
		£	£	£	£	£	£
INCOME AND ENDOWMENTS FROM:							
Donations and Legacies	2	66,492	202,639	4,685	45,013	71,177	247,652
Charitable Activities:							
Acorn Village Community	3	-	-	3,658,352	3,522,798	3,658,352	3,522,798
Government Grants	4	-	-	393,697	293,267	393,697	293,267
Other Trading Activities:							
Income from Fund Raising		6,655	1,192	-	-	6,655	1,192
Income of Trading Subsidiaries:							
Acorn Village (Trading) Limited	5	27,116	27,095	-	-	27,116	27,095
Acorn Village (Acorns) Limited	6	56,707	68,618	-	-	56,707	68,618
Investment Income	7	25,250	19,308	-	-	25,250	19,308
TOTAL		182,221	318,852	4,056,734	3,861,078	4,238,955	4,179,930
EXPENDITURE ON:							
Raising Funds:							
Fund Raising Expenditure	8	42,761	54,196	1,550	-	44,311	54,196
Expenditure of Trading Subsidiaries:							
Acorn Village (Trading) Limited	5	11,944	9,757	-	-	11,944	9,757
Acorn Village (Acorns) Limited	6	2,331	3,832	-	-	2,331	3,832
Charitable Activities:							
Acorn Village Community	9	-	-	4,309,283	4,040,985	4,309,283	4,040,985
Other	9	-	-	4,025	4,774	4,025	4,774
TOTAL		57,036	67,785	4,314,858	4,045,759	4,371,894	4,113,544
NET GAINS/(LOSSES) BEFORE GAINS AND LOSSES		125,185	251,067	(258,124)	(184,681)	(132,939)	66,386
NET GAINS/(LOSSES) ON INVESTMENTS							
Unrealised (Losses)/Gains	16	30,974	86,677	-	-	30,974	86,677
NET INCOME/(EXPENDITURE)		156,159	337,744	(258,124)	(184,681)	(101,965)	153,063
TRANSFER BETWEEN FUNDS	21	(323,180)	(198,598)	323,180	198,598	-	-
NET MOVEMENT IN FUNDS		(167,021)	139,146	65,056	13,917	(101,965)	153,063
RECONCILIATION OF FUNDS							
Total Funds Brought Forward		3,460,632	3,321,486	1,515,672	1,501,755	4,976,304	4,823,241
Total Funds Carried Forward		3,293,611	3,460,632	1,580,728	1,515,672	4,874,339	4,976,304

There were no recognised gains or losses other than those included in the above Statement of Financial Activities. All income and expenditure derive from continuing activities

CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Group 2022		Group 2021		Charity 2022		Charity 2021	
		£	£	£	£	£	£	£	£
FIXED ASSETS									
Tangible Fixed Assets	15		3,304,561		3,283,043		3,303,986		3,282,340
Investments	16		897,620		616,646		897,620		616,646
			<u>4,202,181</u>		<u>3,899,689</u>		<u>4,201,606</u>		<u>3,898,986</u>
CURRENT ASSETS									
Stocks	17		9,565		9,167		8,245		7,836
Debtors	18		194,799		145,208		265,072		227,890
Cash at Bank in Hand	19		809,386		1,201,356		740,434		1,120,583
			<u>1,013,749</u>		<u>1,355,731</u>		<u>1,013,751</u>		<u>1,356,309</u>
CREDITORS									
Amounts due within one year	20		341,592		279,116		341,018		278,991
NET CURRENT ASSETS			672,158		1,076,615		672,733		1,077,318
NET ASSETS	23		<u>4,874,339</u>		<u>4,976,304</u>		<u>4,874,339</u>		<u>4,976,304</u>
CAPITAL AND RESERVES									
Called up share capital	24		-		-		-		-
Restricted Funds	21		1,580,728		1,515,672		1,580,728		1,515,672
Unrestricted Funds			3,293,611		3,460,632		3,293,611		3,460,632
			<u>4,874,339</u>		<u>4,976,304</u>		<u>4,874,339</u>		<u>4,976,304</u>


Mr J Whittaker


Mrs B Evers

These Accounts were approved by the Board of Trustees on 7/11/22

Company Registration Number: 1048360

STATEMENT OF CASH FLOWS AND CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Group 2022		Group 2021		Charity 2022		Charity 2021	
	£	£	£	£	£	£	£	£
NET CASH FLOW FROM OPERATING ACTIVITIES								
Net Income/(Expenditure)	(101,965)		153,063		(101,965)		153,063	
Depreciation of Fixed Assets	111,312		116,932		115,906		116,777	
(Gains)/Losses on Investments	(30,974)		(86,677)		(30,974)		(86,677)	
Dividends from Investments, Interest and Rents	(25,250)		(19,308)		(25,250)		(19,308)	
Decrease/(Increase) in Stocks	(398)		1,668		(409)		1,395	
Decrease/(Increase) in Debtors	(49,591)		65,318		(37,182)		91,210	
(Decrease)/Increase in Creditors	62,476		(90,788)		62,027		(89,353)	
Net cash provided by operating activities		(34,390)		140,208		(17,847)		167,107
CASH FLOW FROM INVESTING ACTIVITIES								
Dividends from Investments, Interest and Rents	25,250		19,308		25,250		19,308	
Purchase of Tangible Fixed Assets	(132,930)		(57,832)		(132,930)		(57,832)	
Proceeds from Sale of Tangible Fixed Assets	100		345		100		345	
Purchase of Investments	(250,000)				(250,000)			
Net cash provided by/(used) by investing activities		(357,580)		(38,179)		(357,580)		(38,179)
INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(391,970)		102,029		(375,427)		128,928
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		1,201,356		1,099,327		1,120,583		991,655
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		809,386		1,201,356		745,156		1,120,583

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Charity's accounts.

a) General Information

Acorn Villages Limited is a charity registered with the Charity Commission with the Charity Number 263954. The Charity is incorporated as a company limited by guarantee at Companies House with the Company Number 1048360 and domiciled in the United Kingdom. Its registered office is Mistley Hall, Clacton Road, Mistley, Manningtree, Essex, CO11 2NJ.

b) Basis of Accounting

The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Charity is a Public Benefit Entity as defined by FRS 102.

These financial statements have been prepared under the historical cost accounting rules except that investments are included on the Balance Sheet at market value.

The financial statements are prepared in sterling, which is the financial currency of the entity.

c) Fund Accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Restricted funds are funds which are to be solely used for a particular purpose.

d) Going Concern

The Trustees have considered the potential impact of COVID-19 on the Charity's financial position and whether the Charity's ability to continue as a going concern was likely to be affected. The Trustees consider that the primary source of income to the Charity being from Local Authorities it is unlikely to be affected in any material way. Our secondary sources of income, donations and fundraising mainly from the sale of donated goods, has been significantly impacted, it is still continuing via e-bay and our shop when legally allowed to open and remain firm. Whilst, the impact of COVID-19 might result in voids being of longer duration during pandemic restrictions the Trustees are cognisant of the need to fill these as soon as conditions allow. Based on these assessments, cash and the current funds available, the Trustees have concluded they can continue to adopt the going concern basis in preparing the annual reports and accounts.

e) Income

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from residential and supported living fees represents amounts invoiced during the year. Accounting adjustments are made in respect of accrued or deferred income so that the amounts included on the Statement of Financial Activities represent fees receivable in relation to resident/tenant occupancy during the year.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Charity that a distribution will be made, or when a distribution is received from the estate.

Donations and other voluntary income are reflected in the accounts for the period in which they are received. Donations in kind are recognised by the Charity when received except in the case of services provided free or undervalue by voluntary staff or others which are not reflected in the accounts.

f) Interest Received

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

g) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

1. ACCOUNTING POLICIES (CONTINUED)

h) Operating Leases

Rentals payable under operating leases are charged through the Statement of Financial Activities on a straight-line basis over the term of the lease.

i) Pension Costs

The Charity operates an auto enrolment pension scheme and a defined contribution scheme. Payments into these schemes are charged to the Statement of Financial Activities as incurred.

j) Redundancy Pay and Termination Payments

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the Charity is committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Charity is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

k) Depreciation

Tangible fixed assets are depreciated on the straight line or reducing balance method at rates calculated to write off the assets over their estimated useful lives. The rates used are as follows:

Freehold Land & Buildings	- Nil - 1%, 2%, 4%, 6.67% and 10% straight line
Motor Vehicles	- 25% reducing balance
Fixtures, Fittings and Equipment	- 25% reducing balance

Sundry Tools and Soft Furnishings are not depreciated, the Statement of Financial Position amount representing the value of items that are constantly being replaced, the replacement cost being written off as incurred.

Expenditure of a capital nature on domestic appliances costing less than £500 and other items costing less than £200 is not capitalised.

l) Investments

Investments are shown on the Statement of Financial Position at their market value. Changes in market values during an accounting period are reflected in the accounts as unrealised gains or losses. Upon disposal of an investment the difference between original cost and disposal proceeds is reflected in the accounts as a realised gain or loss and an adjustment is made to unrealised gains or losses to reverse unrealised movements in value in earlier years.

m) Stocks

These are valued at the lower of cost and net realisable value.

n) Financial Instruments

Cash and Cash Equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity of less than six months.

Debtors and Creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price.

o) Assets Financed by Restricted Funds

Since the cost of fixed assets was frequently financed by restricted funds but it was not possible to ascertain to what extent the cost of such assets had been so financed it was assumed that as at 1 April 1995, 90% of the book value of freehold property, excluding Oak Lodge (which was under construction at that date) had been financed by restricted funds.

Since Oak Lodge was under construction at 1 April 1995, it was possible to ascertain the extent to which it was financed by restricted funds.

All other assets at 1 April 1995 were assumed to have been financed by unrestricted funds.

Where assets have been treated as financed by restricted funds an amount equal to the depreciation on those assets is transferred each year from the appropriate restricted fund to the Acorn Village Community restricted fund.

Assets acquired to maintain and improve the existing infrastructure are treated as far as possible as being funded by Acorn Village Community to the extent that they are not funded by any other restricted fund.

p) Allocation of Staff and Other Costs

Staff costs and other expenses primarily relate to the management and administration of the Acorn Village Community and the extent to which these relate to fund raising and governance of the Charity is estimated by the Trustees. These estimated amounts are included as Fund Raising and Governance Costs. The remaining expenses, which relate to the management and administration of the Village Community, are shown as Community Expenditure.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

2. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations and Gifts	31,767	237,652
Legacies and Bequests	38,410	-
Grants	1,000	10,000
	<u>71,177</u>	<u>247,652</u>
The donations and legacies income relates to the following funds:		
Unrestricted Funds	66,492	202,639
Restricted Funds - Fund Raising Events	4,685	45,013
	<u>71,177</u>	<u>247,652</u>

3. INCOME FROM CHARITABLE ACTIVITIES - ACORN VILLAGE COMMUNITY INCOME

	2022 £	2021 £
Maintenance Fees:		
Residential Income	2,755,835	2,644,060
Supported Living Income	845,752	843,455
Training Income	1,650	1,650
Educational Therapeutic Services Income	28,070	7,778
Residential Recharged Expenses	21,078	18,460
Sundry Income	5,968	7,395
	<u>3,658,352</u>	<u>3,522,798</u>

4. INCOME FROM CHARITABLE ACTIVITIES - GOVERNMENT GRANTS

	2022 £	2021 £
ECC Covid Infection Control Fund	46,734	105,336
ECC Covid Response Fund	213,188	72,773
ECC Covid Rapid Testing Fund	19,320	20,460
ECC Covid Workforce Recruitment and Retention Fund	77,808	975
ECC Covid Workforce Support Fund	5,304	-
ECC Kickstart Fund	4,530	-
ECC Supported Living Temporary Support Fund	12,748	-
Local Authority Residential Covid Top Income	1,827	26,321
HMRC Furlough Grants	7,542	53,867
HMRC SSP Grants	4,696	10,535
Tendring DC Covid Support	-	3,000
	<u>393,697</u>	<u>293,267</u>
Acorn Village Community Capital Expenditure	300,456	293,267
	<u>93,241</u>	
	<u>393,697</u>	<u>293,267</u>

£300,456 (2021: £293,267) of the government grants have been attributed to the Acorn Village Community restricted fund as these were awarded to fund the running of this activity and have been fully expended for this purpose during the year.

£93,241 (2021: £Nil) of the ECC Covid Response Fund grant was awarded to fund capital expenditure during the year. £76,854 was utilised on freehold property additions, £5,814 on fixtures and fittings additions with £10,573 expended on freehold property additions incurred after the Balance Sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

5. **TRADING SUBSIDIARY - ACORN VILLAGE (TRADING) LIMITED**

Acorn Village (Trading) Limited (Company number: 02978015) was incorporated in October 1994 to carry out certain trading activities on behalf of Acorn Villages Limited and the whole of its profit is donated to Acorn Villages Limited by way of Gift Aid. The shares in Acorn Village (Trading) Limited are held by the Chairman and Chief Executive on behalf of Acorn Villages Limited. The trading subsidiary operates the Coffee Shop at Acorn Village.

The results of these activities are as follows:

	<u>2022</u>	<u>2021</u>
	£	£
Turnover	27,116	17,095
Other Income	-	10,000
Cost of Sales and Administration Costs	(11,944)	(9,757)
	<u>15,172</u>	<u>17,338</u>
Amount Gift Aided to Charity		

The assets and liabilities of the subsidiary were:

	<u>2022</u>	<u>2021</u>
	£	£
Fixed Assets - Tangible Fixed Assets	575	703
Current Assets	15,546	17,135
Current Liabilities	(16,119)	(17,836)
	<u>2</u>	<u>2</u>
Total Net Assets		
	<u>2</u>	<u>2</u>
Aggregate share capital and reserves		
	<u>2</u>	<u>2</u>

Staffing at the Coffee Shop is provided by Acorn Villages Limited

6. **TRADING SUBSIDIARY - ACORN VILLAGE (ACORNS) LIMITED**

Acorn Village (Acorns) Limited (Company number: 06242791) was incorporated on 10 May 2007 to carry out certain trading activities on behalf of Acorn Villages Limited and the whole of its profit is donated to Acorn Villages Limited by way of Gift Aid. The shares in Acorn Village (Acorns) Limited are held by a Director and the Chief Executive of Acorn Villages Limited on behalf of Acorn Villages Limited. The trading subsidiary operates the charity shops in Manningtree, Essex and at Mistley Hall.

The results of these activities are as follows:

	<u>2022</u>	<u>2021</u>
	£	£
Turnover	54,040	38,710
Other Income	2,667	29,907
Cost of Sales and Administration Costs	(2,331)	(3,831)
	<u>54,377</u>	<u>64,786</u>
Amount Gift Aided to Charity		
	<u>54,377</u>	<u>64,786</u>
The assets and liabilities of the subsidiary were:		
	<u>2022</u>	<u>2021</u>
	£	£
Current Assets	54,729	65,138
Current Liabilities	(54,727)	(65,136)
	<u>2</u>	<u>2</u>
Total Net Assets		
	<u>2</u>	<u>2</u>
Aggregate share capital and reserves		
	<u>2</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

7. **INVESTMENT INCOME**

	2022 £	2021 £
Dividends receivable from listed fixed asset investments	25,250	19,308

8. **FUND RAISING EXPENDITURE**

	2022 £	2021 £
The staff and other costs estimated by the Trustees to relate to Raising Funds of the Charity are as follows:		
Wages and Staff Expenses	35,129	46,665
Rates and Water Charges	414	396
Insurance	412	354
Light and Heat	951	954
Software Support Costs	579	518
Telephone, Postage, Stationery and Advertising	1,090	1,057
	38,575	49,944
Other Direct Fund Raising Expenses	2,118	860
Support Costs - Governance Costs (note 9)	3,076	3,156
Printing and Stationery	209	-
Bank Charges and Interest	303	236
Waste Disposal	30	-
	44,311	54,196
The raising funds expenditure relates to the following funds:		
Unrestricted Funds	42,761	54,196
Restricted Funds - Fund Raising Events	1,550	-
	44,311	54,196

9. **EXPENDITURE ON CHARITABLE ACTIVITIES**

	Acorn Village Community		Other Restricted Funds		Total	
	2022 £	2021 £	2022 £	2021 £	2022 £	2021 £
Wages and Staff Expenses	3,629,601	3,344,487	-	-	3,629,601	3,344,487
Agency Staff Costs	38,144	101,413	-	-	38,144	101,413
Subcontract Gardening Services	-	4,626	-	-	-	4,626
Training Costs	12,800	18,965	-	-	12,800	18,965
Food and Household Expenses	98,185	106,589	-	-	98,185	106,589
Waste Disposal	23,993	20,907	-	-	23,993	20,907
Registration Fees and Subscriptions	6,511	6,744	-	-	6,511	6,744
Rent	4,515	4,515	-	-	4,515	4,515
Rates and Water Charges	26,902	25,764	-	-	26,902	25,764
Insurance	26,772	22,998	-	-	26,772	22,998
Light and Heat	61,810	61,997	-	-	61,810	61,997
Repairs and Renewals	156,609	88,035	1,956	3,107	158,566	91,142
Hire of Equipment	4,584	4,664	-	-	4,584	4,664
Fire Alarm and Emergency Lighting System Costs	5,930	3,752	-	-	5,930	3,752
Educational Therapeutic Services Expenses	3,337	7,347	138	-	3,476	7,347
Telephone, Postage, Stationery and Advertising	18,272	18,534	-	500	18,272	19,034
Motor Expenses and Transportation	32,798	28,620	-	-	32,798	28,620
Legal and Professional Fees	3,720	-	-	-	3,720	-
Bank Charges and Interest	3,262	2,899	-	-	3,262	2,899
Health and Safety	7,054	17,121	-	1,000	7,054	18,121
Sundry Expenses	5,612	5,823	1,930	167	7,541	5,990
Depreciation of Fixed Assets	111,184	116,777	-	-	111,184	116,777
Support Costs - Governance Costs (note 9)	27,688	28,408	-	-	27,688	28,408
	4,309,283	4,040,985	4,025	4,774	4,313,308	4,045,759

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

10. SUPPORT COSTS - GOVERNANCE COSTS

	<u>2022</u> £	<u>2021</u> £
The staff and other costs estimated by the Trustees to relate to Raising Funds of the charity are as follows:		
Wages and Staff Expenses	16,162	16,612
Rates and Water Charges	276	265
Insurance	275	235
Light and Heat	633	636
Software Support Costs	579	518
Telephone, Postage, Stationery and Advertising	1,091	1,058
	<u>19,016</u>	<u>19,324</u>
Auditors Remuneration	11,748	12,240
	<u>30,764</u>	<u>31,564</u>
The Support Costs have been allocated between the following activities:		
Charitable Activities - Acorn Village Community	27,688	28,408
Fund Raising Expenditure	3,076	3,156
	<u>30,764</u>	<u>31,564</u>

11. NET INCOME/EXPENDITURE FOR THE YEAR

	<u>2022</u> £	<u>2021</u> £
Net income/(expenditure) is stated after charging:		
Depreciation of Owned Assets	111,312	116,777
Hire of Plant and Machinery	-	4,626
Other Operating Leases	4,515	4,515
Auditors Remuneration:		
In their capacity as auditors	9,300	9,300
Other work	2,448	2,940

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)**

12. STAFF COSTS

The average number of persons employed by the charity during the year was as follows:

	2022	2021
Administration and Management Staff	17	18
Care Staff	141	138
Training Staff	3	3
Maintenance Staff	9	9
Educational Therapeutic Services Staff	8	8
Coffee Shop	4	4
	182	180

The aggregate payroll cost of these persons were as follows:

	2022	2021
	£	£
Salaries and Staff Expenses	3,369,650	3,126,726
Social Security Costs	248,124	223,119
Pension Costs	63,118	57,919
	3,680,892	3,407,764

This total is allocated as follows:

	2022	2021
	£	£
Charitable Activities - Acorn Village Community	3,629,601	3,344,487
Fund Raising Expenditure	35,129	46,665
Governance Costs	16,162	16,612
	3,680,892	3,407,764

Pension costs relate to defined contribution schemes. The contributions during the year ended 31 March 2022 were £63,118 (2021: £57,919) and at 31 March 2022 contributions of £Nil (2021: £Nil) were outstanding.

Redundancy pay, included above, amounted to £17,603 (2021: £Nil) and had been paid during the year.

One employees received employee benefits more than £60,000 but less than £70,000 during the year ended 31 March 2022 (2021: £Nil).

The Trustees of the Charity receive no remuneration or reimbursement of expenses during the year ended 31 March 2022 or 31 March 2021.

The key management personnel of the Charity are considered to be the Chief Executive Officer, the Operations Manager and the Senior Registered Manager. The total employee benefits, excluding pension contributions, of the key management personnel are £155,476 during the year ended 31 March 2022 (2021: £152,813).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

13. OPERATING LEASE COMMITMENTS

	2022 £	2021 £
The total future minimum lease payments under non-cancellable operating leases are as follows:		
Not later than one year	1,476	2,952
Later than one year but not later than five years	-	1,476
	<u>1,476</u>	<u>4,428</u>

14. TAXATION

As a charity, Acorn Villages Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

15. FIXED ASSETS - TANGIBLE FIXED ASSETS (ALSO COMPRISING THAT OF THE GROUP)

	Freehold Property £	Sundry Tools & Soft Furnishings £	Fixtures, Fittings & Equipment £	Motor Expenses £	Total £
Cost					
At 1 April 2021	4,781,588	51,279	492,515	103,315	5,428,697
Additions	108,833	-	16,197	7,900	132,930
Disposals	-	-	(8,910)	(1,850)	(10,760)
At 31 March 2022	<u>4,890,421</u>	<u>51,279</u>	<u>499,802</u>	<u>109,365</u>	<u>5,550,867</u>
Depreciation					
At 1 April 2021	1,665,916	-	414,112	65,626	2,145,654
Charge for the Year	77,506	-	24,245	9,561	111,312
Eliminated On Disposals	-	-	(8,810)	(1,850)	(10,660)
At 31 March 2022	<u>1,743,422</u>	<u>-</u>	<u>429,547</u>	<u>73,337</u>	<u>2,246,306</u>
Net Book Value					
At 31 March 2022	<u>3,146,999</u>	<u>51,279</u>	<u>70,255</u>	<u>36,028</u>	<u>3,304,561</u>
At 31 March 2021	<u>3,115,672</u>	<u>51,279</u>	<u>78,403</u>	<u>37,689</u>	<u>3,283,043</u>

16. FIXED ASSET INVESTMENTS

	2022 £	2021 £
Listed Investments		
Market value at Beginning of the Year	616,646	529,969
Additions during the year	250,000	
Unrealised Gains/(Losses)	30,974	86,677
Market Value at the End of the Year	<u>897,620</u>	<u>616,646</u>
Cost Value at the End of the Year	<u>850,201</u>	<u>600,201</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

17. STOCKS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Stationery	2,175	2,212	2,175	2,212
Electric Lamps	1,227	1,400	1,227	1,400
Household	4,843	4,224	4,843	4,224
Coffee Shop Stock	1,320	1,331	-	-
	<u>9,565</u>	<u>9,167</u>	<u>8,245</u>	<u>7,836</u>

18. DEBTORS

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade Debtors	64,717	54,572	64,717	54,572
Other Debtors	49,447	14,252	119,721	96,934
Prepayments	56,670	45,643	56,670	45,643
Accrued Income	23,964	30,741	23,964	30,741
	<u>194,799</u>	<u>145,208</u>	<u>265,072</u>	<u>227,890</u>

19. CASH AT BANK AND IN HAND

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Community Current Account	72,416	105,459	72,416	105,459
Amenities Current Account	29,534	35,018	29,534	35,018
Development Account	633,017	975,302	633,017	975,302
Bank Current Account	18,265	18,857	-	-
Bank Deposit Account	49,930	60,949	-	-
PayPal Account	134	540	-	-
Cash in Hand	6,089	5,231	5,466	4,804
	<u>809,386</u>	<u>1,201,356</u>	<u>740,434</u>	<u>1,120,583</u>

20. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade Creditors	21,150	44,970	20,578	44,845
Taxation and Social Security	91,290	57,756	91,290	57,756
Other Creditors	168,206	146,903	168,204	146,903
Accruals	20,429	20,576	20,429	20,576
Deferred Income	40,517	8,911	40,517	8,911
	<u>341,592</u>	<u>279,116</u>	<u>341,018</u>	<u>278,991</u>

21. ANALYSIS OF MOVEMENT ON RESTRICTED FUNDS

	Opening Balance		Movement in Resources				Transfers Between Funds		Closing Balance	
	2022	2021	Income		Expenditure		Funds		2022	2021
	£	£	£	£	£	£	Notes	£	£	£
Acorn Village Community	-	-	3,958,809	3,816,065	(4,309,283)	(4,040,985)	1,3	350,475	224,920	-
Other restricted funds:										
Capital Reserve	998	998	-	-	-	-		-	-	998
Restricted funds represented by:-										
Fixed Assets:										
Freehold Property	1,473,173	1,490,179	87,427	7,936	-	-	1,2	(21,574)	(24,942)	1,539,026
Fixtures, Fittings and Equipment	2,821	3,080	5,814	683	-	-	1	(2,159)	(942)	6,476
Sundry Tools and Soft Furnishing	200	200	-	-	-	-		-	-	200
Motor Vehicles	1,284	1,722	-	-	-	-	1	(328)	(438)	956
Other restricted funds for:										
Strover Centre	29,577	-	-	29,577	-	-	2	(29,577)	-	29,577
Wellbeing Pod	-	-	-	-	-	-	2	26,843	-	26,843
New Build in Mistley Wood	500	3,500	-	-	-	-	4	(500)	(3,000)	500
Mistley Wood Bathroom	-	-	-	-	-	(3,000)	4	-	3,000	-
Various Other Purposes	7,119	2,076	4,685	6,817	(5,575)	(1,774)		-	-	6,229
	1,515,672	1,501,755	97,926	45,013	(5,575)	(4,774)		(27,296)	(26,322)	1,580,728
	1,515,672	1,501,755	4,056,735	3,861,078	(4,314,858)	(4,045,759)		323,179	198,598	1,515,672

Notes

1. Transfers of £30,740, being depreciation on assets financed by other restricted funds.
2. Transfer of £29,577 is in respect of a donation received last year for the Strover Centre which has been reallocated by the donor for the Wellbeing Pod, £2,734 has been used on capital expenditure incurred in the year ended 31 March 2022 with the balance of £26,843 remaining unspent at the Balance Sheet date.
3. Transfer of £324,458 from Unrestricted Funds to the Acorn Village Community to eliminate the deficit.
4. Transfer of donations for aborted Mistley Wood new build.
5. These represent funds received but not utilised at the Balance Sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022 (CONTINUED)

22. ANALYSIS OF NET ASSETS BETWEEN RESERVES - CHARITY

	<u>Fixed Assets</u>		<u>Net Current</u>	<u>Total</u>
	<u>Tangible</u>	<u>Investments</u>	<u>Assets</u>	
	£	£	£	£
Restricted Funds:				
Capital Reserve	998	-	-	998
Freehold Property	1,539,026	-	-	1,539,026
Fixtures, Fittings and Equipment	6,476	-	-	6,476
Sundry Tools and Soft Furnishings	200	-	-	200
Motor Vehicles	956	-	-	956
Wellbeing Pod	-	-	26,843	26,843
Various Other Purposes	-	-	6,229	6,229
	<u>1,547,656</u>	<u>-</u>	<u>33,072</u>	<u>1,580,728</u>
Unrestricted Funds	<u>1,756,905</u>	<u>897,620</u>	<u>639,086</u>	<u>3,293,611</u>
	<u>3,304,561</u>	<u>897,620</u>	<u>672,158</u>	<u>4,874,339</u>

23. LEGAL STATUS

Guarantee: Every member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up whilst he is a member, for the payment of debts and liabilities of the Company contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required, not exceeding £10.

During the year ended 31 March 2012 the Memorandum and Articles of Association of the Company were amended, the principal change being that membership of the Company is now limited to those who are Directors.

24. RELATED PARTY TRANSACTIONS

There were no related party transaction during the year ended 31 March 2022.